

**COMPANIES ACT 2006 (CONSEQUENTIAL HANDBOOK AMENDMENTS)
INSTRUMENT 2008**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of:
- (1) the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 138 (General rule-making power);
 - (b) section 156 (General supplementary power); and
 - (c) section 157(1) (Guidance); and
 - (2) the other powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- B. The rule-making powers referred to above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 6 June 2008.

Amendments to the Handbook

- D. The modules of the FSA Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
General Provisions (GEN)	Annex B
General Prudential sourcebook (GENPRU)	Annex C
Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU)	Annex D
Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU)	Annex E
Interim Prudential sourcebook for Friendly Societies (IPRU(FSOC))	Annex F
Interim Prudential sourcebook for Insurers (IPRU(INS))	Annex G
Interim Prudential sourcebook for Investment Business (IPRU(INV))	Annex H
Supervision manual (SUP)	Annex I
Credit Unions sourcebook (CRED)	Annex J
Electronic Money sourcebook (ELM)	Annex K

Citation

- E. This instrument may be cited as the Companies Act 2006 (Consequential Handbook Amendments) Instrument 2008.

By order of the Board
22 May 2008

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text.

- accounting reference date*
- (1) (except in *COLL* and *CIS*):
 - (a) (in relation to a *company* incorporated in the *United Kingdom* under the Companies Acts) the accounting reference date of that *company* determined in accordance with section ~~224~~ 391 of the Companies Act ~~1985~~ 2006;
 - ...
 - ...
- Annual Accounts*
- ...
 - (2) (in *UPRU*) accounts prepared to comply with:
 - (a) the Companies Acts 1985 to 1989, and their equivalent in Northern Ireland, where these provisions are applicable;
or
 - (b) the Companies Act 2006; or
 - (c) other statutory obligations.
- annual report and accounts*
- (a) (in relation to a *company* incorporated in the *United Kingdom*) an annual report and annual accounts as those terms are defined in:
 - (i) ~~sections 261(2) and section 262(1) of the Companies Act 1985, together with an auditor's report prepared in relation to those accounts under section 235 of the Companies Act 1985~~ same Act where these provisions are applicable; or
 - (ii) section 471 of the Companies Act 2006 together with an auditor's report prepared in relation to those accounts under sections 495 to 497 of the same Act;
 - (b) (in relation to any other body) any similar or analogous *documents* which it is required to prepare whether by its constitution or by the law under which it is established.

connected person

...

(5) (in *DTR* and *LR* in relation to a *person discharging managerial responsibilities* within an *issuer*) (as defined in section 96B(2) of the *Act*):

(a) a “connected person” within the meaning of ~~section 346~~ sections 252, 253 and 254 of the Companies Act ~~1985~~ 2006 (reading ~~that section~~ these sections as if any reference to a director of a company were a reference to a *person discharging managerial responsibilities* within an *issuer*);

...

controlled undertaking

any subsidiary undertaking within the meaning of the *Act* other than one falling within section ~~258(4)(b)~~ 1162(4)(b) of the Companies Act ~~1985~~ 2006 or section 420(2)(b) of the *Act*;

group

(1) ... A and any *person* who is:

(a) a *parent undertaking* of A;

...

(d) a *parent undertaking* of a *subsidiary undertaking* of A;

...

(g) if A or an *undertaking* in (a) or (d) is an *incorporated friendly society*, a *body corporate* of which that *friendly society* has joint control (as defined in section 13(9)(c) or (cc) of the Friendly Societies Act 1992); in this definition:

(i) “participating interest” has the same meaning as in:

(A) Part VII of the Companies Act 1985 or Part VIII of the Companies (Northern Ireland) Order 1986; ~~but, where these provisions are applicable; or~~

(B) paragraph 11(1) of Schedule 10 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) where applicable; or

(C) paragraph 8 of Schedule 7 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409);

In (A), (B) and (C), the meaning also includes an interest held by an individual which would be a participating interest for the purposes of those provisions if he were an *undertaking*;

(ii) ...

...

holding company (as defined in section ~~736(1)~~ 1159(1) of the Companies Act ~~1985~~ 2006 (“*subsidiary*”, “*holding company*” and “*wholly owned subsidiary*”) (Meaning of “subsidiary” etc) (in relation to another *body corporate* (“S”)) a *body corporate* which:

...

insurance accounts rules Schedule 9A to the Companies Act 1985 (Form and content of accounts of insurance companies) and Schedule 9A to the Companies Act (Northern Ireland) Order 1986 where these provisions are applicable, otherwise Schedule 3 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

parent undertaking (1) (in accordance with section 420 of the *Act* (Parent and subsidiary undertaking) and section ~~258~~ 1162 of the Companies Act ~~1985~~ 2006 (Parent and subsidiary undertakings)):

...

in relation to (ii) and (iv); the *undertaking* will be treated as a member of S if any of its *subsidiary undertakings* is a member of S, or if any shares in S are held by a *person* acting on behalf of the *undertaking* or any of its *subsidiary undertakings*; the provisions of Schedule ~~10A~~ 7 to the Companies Act ~~1985~~ 2006 (Parent and subsidiary undertakings: supplementary provisions) explain the expressions used in and supplement paragraphs (i) to (vi);

...

...

participation (for the purposes of *ELM*, *UPRU* and *GENPRU* and for the purposes of *BIPRU* and *INSPRU* as they apply on a consolidated basis):

(a) a participating interest ~~as~~ may be defined in according to:

- (i) section 260 of the Companies Act 1985 where applicable; or
- (ii) paragraph 11(1) of Schedule 10 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) where applicable; or
- (iii) paragraph 8 of Schedule 7 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409); or

...

subsidiary

- (1) (except in relation to *MiFID business*) (as defined in section ~~736~~ 1159(1) of the Companies Act ~~1985~~ 2006 (“~~Subsidiary~~”, “~~holding company~~” and “~~wholly owned subsidiary~~”) (Meaning of “subsidiary”, etc) (in relation to another *body corporate* (“H”)) a *body corporate* of which H is a *holding company*.

...

undertaking

(as defined in section ~~259~~ 1161(1) of the Companies Act ~~1985~~ 2006 (Meaning of “undertaking” and related expressions)):

- (a) a *body corporate* or *partnership*; or
- (b) an unincorporated association carrying on a trade or business, with or without a view to profit.

Annex B

Amendments to the General Provisions (GEN)

In this Annex, underlining indicates new text.

GEN TP 1.2 Table 2: Transitional Provisions applying across the Handbook

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
24.
25.	References in the <i>Handbook</i> <u>(except those in <i>LR</i>, <i>PR</i> and <i>DTR</i>)</u> to <u>Companies Act 1985</u> provisions which have been repealed, in whole or in part, by the Companies Act 2006.	R	Each reference is to be read as a reference to the corresponding provision of the Companies Act 2006 and related provisions taking into account any relevant commencement, transitional or savings provisions made under that Act or related provisions.	From 6 April 2008 until 4 November 2008	various
...					

Annex C

Amendments to the General Prudential sourcebook (GENPRU)

In this Annex, underlining indicates new text and striking through indicates deleted text.

- 1.3.4 R Subject to *GENPRU* 1.3.9R to *GENPRU* 1.3.10R and *GENPRU* 1.3.36R, except where a *rule* in *GENPRU*, *BIPRU* or *INSPRU* provides for a different method of recognition or valuation, whenever a *rule* in *GENPRU*, *BIPRU* or *INSPRU* refers to an asset, liability, *exposure*, equity or income statement item, a *firm* must, for the purpose of that *rule*, recognise the asset, liability, *exposure*, equity or income statement item and measure its value in accordance with whichever of the following are applicable:

...

(5) *international accounting standards*; ~~and~~

(6) the Companies Act 1985-; and

(7) the Companies Act 2006;

as applicable to the *firm* for the purpose of its external financial reporting (or as would be applicable if the *firm* was a company with its head office in the *United Kingdom*).

Annex D

Amendments to the Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU)

In this Annex, underlining indicates new text and striking through indicates deleted text.

BIPRU TP 12 Operational risk transitionals: small trading book

...			
		Calculation of number of employees	
12.5	R	In calculating the average number of its relevant employees a <i>firm</i> must:	
		...	
		(5)	take into account the methodology for calculating an average number of employees referred to in section 247(6) <u>382(6)</u> of the Companies Act 1985 <u>2006</u> .
...			

Annex E

Amendments to the Prudential Sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU)

In this Annex, underlining indicates new text and striking through indicates deleted text.

4.4.2 R Table: Items which are eligible to contribute to the capital resources of a firm

	Item	Additional explanation
	...	
Note		
1		Reserves must be audited and interim net profits, general and collective provisions must be verified by the <i>firm's</i> external auditor unless the <i>firm</i> is exempt from the provisions of Part VII of the Companies Act 1985 (<u>section 249A (Exemptions from audit)</u>) or, where applicable, Part 16 of the Companies Act 2006 (<u>section 477 (Small companies: Conditions for exemption from audit)</u>) relating to the audit of accounts (section 249A (Exemptions from audit)).

Annex F

Amendments to the Interim Prudential sourcebook for Friendly Societies (IPRU(FSOC))

In this Annex, underlining indicates new text and striking through indicates deleted text.

Chapter 7

Definitions

group has the meaning given in section 262(1) of the Companies Act 1985 where applicable, otherwise section 474(1) of the Companies Act 2006;

...

subsidiary undertaking ~~is construed in accordance with~~ has the meaning given in section 258 1162 of the Companies Act 1985 2006 and ~~Article 266 of the Companies (Northern Ireland) Order 1986;~~

Annex G

Amendments to the Interim Prudential sourcebook for Insurers (IPRU(INS))

In this Annex, underlining indicates new text and striking through indicates deleted text.

- 9.35 (2) For the purposes of the *Accounts and Statements Rules* -
- (a) section 237(1), (2) and (3) and section 389A(1) of the ~~*Companies Act*~~ Companies Act 1985 and article 245(1), (2) and (3) and article 397A(1) of the *1986 Order* where applicable, otherwise sections 498(1), (2) and (3) and 499(1) of the Companies Act 2006 apply as if -
- (i) the references to the *profit and loss account* ~~contained in the definition of~~ 'individual accounts' in section 226(1) of ~~that~~ the Companies Act 1985 and article 234(1) of that Order, and section 394 of the Companies Act 2006 respectively, included references to the revenue account; and
- ...
- (b) section 389A(3) of the ~~*Companies Act*~~ Companies Act 1985 and article 397A(3) and (4) of the *1986 Order*, where they are applicable, otherwise section 500(1) of the Companies Act 2006 apply as if the references in them to a 'parent company' were references to the *insurer*.
- ...
- 9.36 ...
- (3) For the purposes of (1)(a) to (d) -
- ...
- (b) a person is deemed to be **interested** in *shares* or debentures if he is interested in them according to the rules set out in ~~Part I of~~ Schedule ~~13~~ 1 to the ~~*Companies Act*~~ Companies Act 2006 with the addition, in paragraph ~~11~~ 6(4) of that ~~Part of that~~ Schedule, of a reference to a scheme under section 25 of the Charities Act (Northern Ireland) 1964; and
- ...

...

Chapter 11 Definitions

Companies Act	the Companies Act 1985
<i>group</i>	has the meaning given in section 262 of the Companies Act 1985 <u>Companies Act 1985 where applicable, otherwise section 474(1) of the Companies Act 2006</u>
<i>subsidiary undertaking</i>	is construed in accordance with <u>has the meaning given in</u> section 258 1162 of the Companies Act <u>Companies Act 2006</u> or Article 266 of the 1986 Order <u>Companies Act 2006</u>

APPENDIX 9.1 (rules 9.12 and 9.13)

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT Instructions for completion of Form 3

...

7. Amounts at lines 11-13 should be taken from the *firm's* stand-alone accounts prepared under the ~~Companies Act~~ Acts 1985 or 2006, as appropriate, or (for *firms* not preparing accounts under the ~~Companies Act~~ legislation) equivalent overseas legislation or the applicable UK legislation.
8. The entry at line 15.2 must be the FFA taken from the *firm's* stand-alone accounts prepared under the ~~Companies Act~~ Acts 1985 or 2006, as appropriate, or (for *firms* not preparing accounts under the ~~Companies Act~~ legislation) equivalent overseas legislation or the applicable *United Kingdom* legislation. The entry at line 15 column 1 must be blank.

...

66. A reconciliation of net *admissible assets* to *total capital resources* after deductions (line 79) must be provided as a supplementary note (code 0301). The reconciliation must contain the following items:

...

- (iv) Any other items, each such item to be separately specified. An explanation of each such item is to be provided together with, if applicable, the reference to where

the item is included elsewhere in the *return* or in the *firm's* stand-alone accounts prepared under the Companies ~~Act~~ Acts 1985 or 2006, as appropriate, or (for *firms* not preparing accounts under the Companies Act legislation) equivalent overseas legislation or the applicable *United Kingdom* legislation). [These items would be added to or deducted from net *admissible assets* in the reconciliation as appropriate.]

...

Instructions for completion of Form 13

...

4. In lines 11 to 86 -

- (a) for the purpose of classifying (but not valuing) assets, headings and descriptions used above, wherever they also occur in the balance sheet format in Schedule 9A to the ~~Companies Act~~ Companies Act 1985 or where applicable, Schedule 3 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), must have the same meaning as in ~~that Schedule~~ those Schedules,

...

APPENDIX 9.3 (rules 9.14 and 9.23)

**LONG-TERM INSURANCE BUSINESS
REVENUE ACCOUNT AND ADDITIONAL INFORMATION
(FORMS 40 TO 60)**

...

Instructions for completion of Form 40

...

10. The entry at line 11 must exclude any change in the provision for unearned premiums, even though it may be included in statutory (e.g. ~~Companies Act~~ Companies Acts 1985 to 2006) accounts.

...

APPENDIX 9.11

REPORTING FORMS

...

Instructions for completion of Form 13

...

3. In lines 11 to 86:

- (a) for the purpose of classifying (but not valuing) assets, headings and descriptions used above, wherever they also occur in the balance sheet format in Schedule 9A to the Companies Act 1985, where applicable, otherwise Schedule 3 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), (as if that schedule applied to Lloyd's and as if the Corporation was a company) must have the same meaning as in ~~that schedule~~ those schedules;

Annex H

Amendments to the Interim Prudential sourcebook for Investment Business (IPRU(INV))

In this Annex, underlining indicates new text and striking through indicates deleted text.

- 3-60(3) R Rule 3-61 and rules 3-63 to 3-182 do not apply to a *corporate finance advisory firm* which must instead comply with the following two capital requirements at all times:
- ...
- (b) net current assets (~~as calculated for the purposes of producing a balance sheet in accordance with Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985~~) must exceed £10,000.
- 3-60(3A) R (a) Net current assets for the purposes of rule 3-60(3)R(b) shall be as calculated for the purposes of producing a balance sheet in accordance with the following provisions, as applicable:
- (i) Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985; or
- (ii) Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409); or
- (iii) Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).
- ...
- 3-60(4) R Rules 3-61 to 3-182 do not apply to an *adviser* or *local /traded options market maker* which must instead comply with the following capital requirements at all times:
- ...
- (b) in the case of an *adviser*, net current assets (~~as calculated for the purposes of producing a balance sheet in accordance with Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985~~) must be positive; and
- ...
- 3-60(4A) R (a) Net current assets for the purposes of rule 3-60(4)R(b) shall be as calculated for the purposes of producing a balance sheet in

accordance with the following provisions as applicable:

- (i) Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985; or
- (ii) Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409); or
- (iii) Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

...

3-60(5) R Rule 3-61 and rules 3-63 to 3-182 do not apply to a *derivative fund manager* which must instead comply with the following two capital requirements at all times:

...

- (b) net current assets ~~(as calculated for the purposes of producing a balance sheet in accordance with Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985)~~, excluding investment in any pooled fund or which it manages, must exceed £10,000.

3-60(5A) R (a) Net current assets for the purposes of rule 3-60(5)R(b) shall be as calculated for the purposes of producing a balance sheet in accordance with the following provisions as applicable:

- (i) Format 1 of the Balance Sheet Format of Schedule 4 to the Companies Act 1985;
- (ii) Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409); or
- (iii) Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

APPENDIX 1- GLOSSARY OF TERMS FOR CHAPTER 3

...

annual financial statements means ~~statements drawn up in accordance with Schedule 4 to the Companies Act 1985 or, where applicable, international accounting standards as at the firm's annual accounting reference date;~~

means statements drawn up in accordance with whichever of the following is applicable at the firm's annual accounting reference date:

- (i) Schedule 4 to the Companies Act 1985;
- (ii) Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008/409);
- (iii) Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410); or
- (iv) international accounting standards.

connected person has the same meaning as given in ~~section~~ sections 346 252, 253 and 254 of the Companies Act ~~1985~~ 2006 and a person described therein as being connected with a *director* will similarly be deemed to be connected with a *partner* of the *firm*;

...

TABLE 5.2.2(1) CALCULATION OF OWN FUNDS AND LIQUID CAPITAL

...

PART II

DETAILED REQUIREMENTS

2A Reserves ...

Note 2

Reserves must be audited unless the *firm* is exempt from the provisions of Part VII of the Companies Act 1985 (section 249A (Exemptions from audit)), or where applicable, Part 16 of the Companies Act 2006 (section 477 (Small companies: Conditions for exemption from audit)) relating to the audit of accounts. (~~section 249A (Exemptions from audit)~~).

...

**8 Net
Trading
Book profits
(Item 14)**

...

Note

Non-trading book interim profits may only be included in Tier 1 of the calculation if they have been independently verified by the *firm's* external auditors, unless the *firm* is exempt from the provisions of Part VII of the Companies Act 1985 (section 249A (Exemptions from audit)), or where applicable, Part 16 of the Companies Act 2006 (section 477 (Small companies: Conditions for exemption from audit)) relating to the audit of accounts (~~section 249A (Exemptions from audit)~~).

...

A *firm* wishing to include interim profits in Tier 1 capital in a *financial return* should submit to *the FSA* with the *financial return* a verification report signed by its external auditor which states whether the interim results are fairly stated, unless the *firm* is exempt from the provisions of Part VII of the Companies Act 1985 (section 249A (Exemptions from audit)), or where applicable, Part 16 of the Companies Act 2006 (section 477 (Small companies: Conditions for exemption from audit)) relating to the audit of accounts (~~section 249A (Exemptions from audit)~~).

APPENDIX 1- GLOSSARY OF TERMS FOR CHAPTER 5

...

*accounting
reference
date*

means:

- (a) the date to which a *firm's* accounts are prepared in order to comply with the ~~Companies Act~~ relevant Companies Act legislation. ~~in~~ In the case of a *firm* not subject to the ~~Companies Act~~ Companies Act legislation, the equivalent date selected by the *firm*; and
- (b) in the case of an *OPS firm* which is not subject to ~~the Companies Act~~ the relevant Companies Act legislation, the date to which the accounts of the *OPS* in respect of which the *firm* acts are prepared.

...

*annual
accounts*

means accounts prepared to comply with ~~the Companies Act~~ relevant Companies Act legislation and their equivalent in Northern Ireland or other statutory obligations.

...

*Companies
Act*

means ~~the Companies Acts 1985 to 1989 and their equivalent in Northern Ireland~~.

...

parent means any parent undertaking as defined in section ~~258~~ 1162 of the Companies Act ~~1985~~ 2006 and any undertaking which effectively exercises a dominant influence over another undertaking.

....

13.10.2 R ...

This table forms part of *rule* 13.10.2

OWN FUNDS

Companies

Sole Traders: Partnerships

...

Note 1

Retained profits must be audited and interim profits must be verified by the *firm's* external auditor, unless the *firm* is exempt from the provisions of Part VII of the Companies Act 1985 (section 249A (Exemptions from audit)), or where applicable, Part 16 of the Companies Act 2006 (section 477 (Small companies: Conditions for exemption from audit)) relating to the audit of accounts (~~section 249A (Exemptions from audit)~~).

...

APPENDIX 14(1) INTERPRETATION

Glossary of defined terms for Chapter 14

...

parent any parent undertaking as defined in section ~~258~~ 1162 of the Companies Act ~~1985~~ 2006 and any undertaking which effectively exercises a dominant influence over another undertaking.

subsidiary as in section ~~736~~ 1159(1) of the Companies Act ~~1985~~ 2006.

Annex I

Amendments to the Supervision manual (SUP)

In this Annex underlining indicates new text and striking through indicates deleted text.

- 3.3.3 G (1) *SUP* 3.3.2R applies to every *firm* to which this section applies. That includes a *firm* which is under an obligation to appoint an auditor under an enactment other than the *Act*, such as the Companies Act 1985 or the Companies Act 2006, as appropriate. Such a *firm* is expected to wish to have a single auditor who is appointed to fulfil both obligations. *SUP* 3.3.2R is made under section 138 of the *Act* (General rule-making power), in relation to such *firms*, and under section 340(1) (Appointment) in relation to other *firms*.
- ...
- ...
- 3.4.2 R Before a *firm*, to which *SUP* 3.3.2R applies, appoints an auditor, it must take reasonable steps to ensure that the auditor has the required skill, resources and experience to perform his functions under the *regulatory system* and that the auditor:
- (1) is eligible for appointment as an auditor under Part II of the Companies Act 1989 or Part III of the Companies (Northern Ireland) Order 1990 (Eligibility for appointment) where applicable, otherwise Chapters 1, 2 and 6 of Part 42 of the Companies Act 2006 respectively; or
- ...
- ...
- 3.5.1 G If an auditor is to carry out his duties properly, he needs to be independent of the *firm* he is auditing, so that he is not subject to conflicts of interest. Many *firms* are also subject to requirements under the Companies Act 1989, or the Companies Act 2006, the Building Societies Act 1986 or the Friendly Societies Act 1992 on auditor's independence.
- ...
- 3.5.5 G *Firms* are reminded that the Building Societies Act 1986 and Friendly Societies Act 1992 provide that an auditor who is ineligible under section 27 of the Companies Act 1989 where applicable, otherwise sections 1214 and 1215 of the Companies Act 2006 for appointment as auditor of a company (which is a subsidiary undertaking of a *building society* or a subsidiary of a *friendly society*) is ineligible for appointment as auditor to the *building society* or *friendly society* concerned.

...

3.6.4 G Section 389A of the Companies Act 1985 where applicable, otherwise sections 499 and 500 of the Companies Act 2006, section 79 of the Building Societies Act 1986 and section 75 of the Friendly Societies Act 1992 give similar rights to auditors of companies, *building societies* and *friendly societies* respectively.

...

3.8.8 G *SUP 3.6.1R* requires a *firm* to cooperate with its auditor. *SUP 3.6.3G* refers to the rights to information which an auditor is granted by the *Act*. *SUP 3.6.4G* refers to similar rights granted by the Companies Act 1985 or where applicable, the Companies Act 2006, the Building Societies Act 1986 and the Friendly Societies Act 1992.

...

SUP 12 Annex 2 Guidance on information firms should take reasonable steps to obtain to verify and to assess the fitness and propriety of an appointed representative (other than an introducer appointed representative). See SUP 12.4.4 G (1).

...		
The appointed representative's professional reputation	(a)	Disciplinary proceedings
	(i)	...
	(iii)	whether the appointed representative has ever been the subject of a formal investigation under the powers in the Companies Act Acts <u>Acts</u> 1985 to 2006; and
		...

SUP 16 Annex 18BG

Notes for completion of the Retail Mediation Activities Return ('RMAR')

...

Defined terms

...

4. Terms referred to in the RMAR and these notes, where defined by the Companies ~~Act~~ Acts 1985 or 2006, as appropriate, or other relevant accounting provisions, bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

...

Accounting Principles

15. The following principles should be adhered to by *firms* in the submission of financial information (sections A to E).

(a) Unless a rule requires otherwise, amounts to be reported within the *firm's* balance sheet and profit and loss account should be determined in accordance with:

- (i) the requirements of all relevant statutory provisions (e.g. Companies ~~Act~~ Acts 1985 to 2006, and secondary legislation made under the these Acts) as appropriate;

...

SUP 16 Annex 25G

...

FSA029 – Balance Sheet

...

Defined Terms

Terms referred to in these notes where defined by the Companies ~~Act~~ Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies ~~Act~~ Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA030 – Income Statement

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA031 - Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA032 - Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 13)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA033 - Capital Adequacy (for firms subject to IPRU(INV) Chapter 3)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA034 - Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 not subject to exemption in IPRU(INV) 5.2.3(2)R)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA035 - Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 and to the exemption in IPRU(INV) 5.2.3(2)R)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

...

FSA036 - Capital Adequacy (for UCITS firms)

...

Defined Terms

Terms referred to in these notes where defined by the Companies Act Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act Acts 1985 and 2006 as appropriate) or IFRS.

Annex J

Amendments to the Credit Unions sourcebook (CRED)

In this Annex, underlining indicates new text and striking through indicates deleted text.

CRED 13 Annex 1C Qualifications approved by the FSA (and the Registry of Friendly Societies)

D ...

2 ...

(2) “Participating interest” has the same meaning as in:

(i) Part VII of the Companies Act 1985 or Part VIII of the Companies (Northern Ireland) Order 1986~~;~~ where these provisions apply; or

(ii) paragraph 8 of Schedule 7 to the Small Companies and Groups (Accounts and Directors’ Report) Regulations 2008 (SI 2008/409).

In (i) and (ii) above, the meaning ~~but~~ also includes an interest held by an individual which would be a participating interest for the purposes of those provisions if he were taken to be an undertaking.

...

CRED 14 Annex 1 Accounts and audit - Friendly and Industrial and Provident Societies Act 1968

...	
Qualified auditors	
8	Section 7 of the Friendly and Industrial and Provident Societies Act 1968 provides that no person is a qualified auditor unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989, that is to say a person who is registered with one of the five supervisory bodies recognised under the Companies Act 1989 <u>or the Companies Act 2006, as appropriate:</u>
	...
...	

Annex K

Amendments to the Electronic Money sourcebook (ELM)

In this Annex, underlining indicates new text.

- 7.5.1 R A firm's EEA group risk own funds are calculated as follows:
- (1) the *own funds* of members of the EEA consolidated group are consolidated using the principles that apply to preparing consolidated accounts under the Companies Act 1985 where applicable, otherwise the Companies Act 2006, and in accordance with accounting principles generally accepted in the *United Kingdom*;

...

- 7.5.2 R A firm's EEA group risk own funds requirement is calculated by way of consolidation using the principles that apply to preparing consolidated accounts under the Companies Act 1985 where applicable, otherwise the Companies Act 2006 as follows:

...